

**Co-operative Federation of Victoria Ltd  
Membership Recruitment and Retention Committee  
Final Draft Report**

# **MRR REPORT**

## **17 June 1999**

**David Griffiths & John Gill & Vern Hughes**

### **Introduction**

This report is tabled as a final draft at the board meeting on 17 June 1999 to enable directors to respond to our deliberations. A final report will be circulated with the agenda for the August board meeting.

In the intervening period, therefore, there is an opportunity for the MRR Committee to revise this report and the final report will be based on:

1. Work undertaken by the Monash Agribusiness student David Marland.
2. Any feedback received from Directors and the Secretary.
3. Based on 1 – 2 and further deliberations of the committee.

Any revisions will be specifically acknowledged as will be their source. Feedback that has been received and rejected will also be specifically identified and the basis for their rejection.

We propose that feedback should be received by 2 August 1999. No guarantee can be given that comments received after this date will be taken into consideration.

The MRR Committee does not have a panacea for membership recruitment and retention. There is none.

The Co-operative Federation of Victoria Ltd is the peak body for co-operatives and yet less than 10% of registered co-operatives are members.

This is a challenge to the Federation to increase its relevance to the majority of co-operatives who are not members.

The first part of this report established a philosophical basis and context for a series of recommendations:

Background

Reinventing the Federation

Strengths and Weaknesses

Voluntary Dependency

Operational to Strategic

From Mission to Vision

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The second part makes a series of recommendations:

Framework  
Annual Subscriptions  
Reward and Recognition  
Commissions  
Accessibility  
Advance Subscriptions  
Member Benefit  
Partnerships  
VCN

The MRR considered a number of recruitment initiatives which were considered inappropriate:

These are considered in the body of this report and why they were considered inappropriate.

We have developed a number of recommendations:

1. That a Membership Recruitment and Retention Framework Statement be adopted.
2. That the strengths of the Federation be recognised as co-operative legislation, co-operative education and co-operative advocacy.
3. That a Vision Statement be endorsed.
4. That the current Mission Statement and Objectives be reaffirmed.
5. That the Victorian Co-operative News should continue to be distributed to non-members pending budget availability.
6. That in reviewing annual subscriptions the board should have information on usage of services by member co-operatives, an assessment of the impact of and reaction to subscription levels and the potential membership recruitment and retention.
7. That a Mission Vision be developed.
8. That our Objectives be reviewed in the context of membership recruitment and retention.
9. That a strategic management approach to membership recruitment and retention be adopted.
10. That consideration be given to recognising outstanding contributions to the Federation of member co-operatives.

## **Background**

The Membership Recruitment Committee was established by the board at its meeting on 18 February 1999 with the following terms of reference:

1. To define and develop a membership recruitment strategy.
2. To consider and recommend on services that would facilitate membership recruitment and retention including legislation and rules advice, taxation advocacy, other advocacy, seminars and workshops, the Victorian Co-operative News and other.
3. To invite members to make submissions to the Working Party.
4. To examine the following specific recruitment and retention proposals – advance payment subscriptions and a recruitment bonus.
5. To consider the Co-operative Energy Ltd proposal for usage subscriptions.
6. To consider the impact of subscription levels on membership recruitment and retention and consider options subject to continuing economic viability in subscriptions fully funding core administrative tasks.
7. To consider arrangements for commission fees on member recruitment.

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8. To consider current and proposed options for active membership involvement.
9. To consider the value of member and non-member surveys.
10. To consider any other matters relevant to membership recruitment and retention.
11. To present a report to the board at its meeting in August 1999.

A number of briefing notes were prepared for consideration by the Committee. The following notes were prepared by David Griffiths:

1/23 February 1999 Advanced Payment Subscriptions  
2/23 February 1999 Commission Payments  
3/23 February 1999 Usage Subscriptions  
4/23 February 1999 Federation Services  
5/23 February 1999 Members and Subscription Levels  
6/23 February 1999 Member Benefits  
7/2 March 1999 Federation Comparisons  
8/2 March 1999 Membership Trends  
9/2 March 1999 Service Usage  
10/9 March 1999 Membership Motivation  
11/19 March 1999 Membership Participation  
12/19 March 1999 Service Usage and Subs  
15/18 April 1999 Resourcing Services  
16/18 April 1999 Budget & Services

The following were provided by the Secretary.

There have been two meetings and notes of these meetings have been prepared by David Griffiths:

Meeting Notes 4 March 1999

Meeting Notes 15 June 1999

## **Reinventing the Federation**

Edgar Parnell has suggested that Federations need to reinvent themselves.<sup>1</sup>

Krishan K. Taimni has argued: To be effective and successful, a co-operative federation must continuously achieve two inter-related goals: strengthen the autonomy of its affiliates, enhance viability and improve ability to service its members; and remain an economically viable, innovative and competitive enterprise. Without achieving these twin goals, the federal organization loses its legitimacy and its trust and the member organizations cease to be purposeful members of the federation. A healthy relationship between the two can emerge and remain sustainable if federal cooperatives can accumulate capital, help reduce costs and increase efficiency of the primaries

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<sup>1</sup> Parnell, Edgar Reinventing Co-operation: the challenge of the 21<sup>st</sup> century, Plunkett Foundation, 1999, p 233

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and enjoy the trust of their members; and the primaries are individually strong, viable and autonomous and enjoy the confidence and trust of their members.”<sup>2</sup>

Edgar Parnell has argued that: “Federals must have a clear-cut purpose which must be the enhancement of the benefits which are delivered to the individual members of all the member co-operatives.”<sup>3</sup> Parnell also observes: “It is not uncommon for federals which started well and produced high levels of benefits for their member co-operatives to lose their way with the result that they take on a life of their own, which has little to do with their original purpose. This can occur when the directors have allowed the management of the federal concerned to pursue their own objectives, and when they have come to believe that the federal has a duty to provide the management and staff with gainful employment.”<sup>4</sup>

Developing a membership recruitment and retention strategy means the process of positioning the Federation in the competitive environment and implementing activities which compete successfully to create and maintain benefits for members and are, therefore, perceived to be benefits by non-members.

We need to ask ourselves what activities we should undertake on the basis of present and future resources and opportunities available to the Federation. What business should we be in? What is the scope for the Federation? What should be the boundaries? <sup>5</sup>

The Federation's Strategic Plan 1998-2000 does not explicitly refer to membership recruitment and retention. The arguments are implicit – rather than explicit. The Mission Statement and Objectives are as follows:

**Mission Statement**

To develop and promote the co-operative movement as a means of satisfying the economic and social needs of people.

**Objectives**

1. To help members improve services to their members by providing information and advice
2. To make representation to government on legislation and policies to facilitate the development of co-operatives.
3. To promote co-operatives to the public.
4. To facilitate and promote the formation of co-operatives.
5. To educate members and the community at large in co-operative principles and practices.
6. To facilitate co-operation between co-operatives

There is also a need to develop a Mission Vision – where we intend to move to over the duration of the Strategic Plan. This would include membership growth of the Federation. A suggested Vision Statement follows: **to increase by 50% the membership of the Federation, provide annual co-operative director training for agricultural and other co-operatives, increase co-operative advocacy by 100% and facilitate the further co-operatisation of the Co-operatives Act 1996 and Co-operatives Regulations 1997.**

We have four operational choices in the development and implementation of a membership recruitment and retention strategy:

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<sup>2</sup> Taimni, Krishan K Challenges before Cooperatives in South Asia – Building a Comparative Advantage. 9 February 1998, p 4

<sup>3</sup> Parnell, Edgar Reinventing Co-operation: the challenge of the 21<sup>st</sup> century, Plunkett Foundation, 1999, p 229

<sup>4</sup> Ibid p 232

<sup>5</sup> Based on Ropke, Jochen Strategic Management of Self-Help Organizations, Marburg Consult, 1992, p 3

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1. Price – capturing and retaining members through price.
2. Differentiation – a market image and service that is different from our direct and indirect competitors i.e. agencies who provide services for co-operatives and are, therefore, competing for the co-operative \$
3. Focus strategy – a niche market.
4. Mixed strategy – a simultaneous pursuit of cost leadership and/or differentiation and or focus.

Each of these is discussed below.

Price

Differentiation

Focus

Mixed

Co-operatives will only become and remain members if they perceive that the Federation is providing value for money unique services which assist them to operate as effective co-operatives and promote co-operation.

A strong membership, therefore, depends on the Federation providing needed quality services which no-one else provides at a reasonable equitable cost and being seen as doing this.

This value for money criteria is subject to various qualifications. The most important of these is the acceptance that fees are related to capacity to pay and the larger co-operatives are prepared to subsidise the Federation and smaller co-operatives in the interests of the co-operative movement and the indirect benefits they perceive from a favorable co-operative image. Other qualifications are the possibility of differing perceptions on what is value for money

Membership recruitment and retention should primarily be market-based rather than expenditure based i.e. focussed on maximising recruiting and retaining members rather than setting subscription levels for a given level of expenditure. The question is what conditions would maximise membership. If lower subscriptions levels were necessary, for example, to attract and retain members, then, the challenge is to revisit our costs and, if necessary and possible, adjust these.

What this also means is that we need to understand the co-operative market and its expectations of the Federation – to assist us to provide better and different services within our strengths and competencies and communicate these better and differently.

There is always scope to improve the provision of services whether it is the Co-operation Awards, the Monash Agribusiness Seminar, government advocacy, legislation advice and consultancy and the Victorian Co-operative News.

When the board on 20 August 1998 reviewed subscriptions the focus was on expenditure – not the market. The set objective was: To raise \$37,000 in member subscriptions in the 1998/99 financial year to defray the costs of administering the Federation and the provision of services to members. While a practical and necessary task, it was not related to the issue of the relationship of subscription levels to membership recruitment and retention. There was no information or discussion on the market capacity and willingness to pay.

# Strengths & Weaknesses

We need to be clear about the strengths and competencies of the Federation.

What are our strengths?

What are our weaknesses?

What are our distinct competencies?

The strengths of the Federation are essentially threefold:

Co-operative legislation – monitoring and improving co-operative and other legislation which impacts on co-operatives.

Co-operative education – facilitating co-operative education opportunities for directors, staff of co-operatives, the community and the public.

Co-operative advocacy – advocating the co-operative option through publications, speeches and submissions

For some time now the Federation has emphasised our strength in the legislative area because of the unique experience and skills of the Consultant and there is no question that this is a strength. Unfortunately, there has been an implicit tendency to assume that it is the only strength of the Federation and it was predicted that with the need for all co-operatives to adopt new rules within a two year period and that this would result in a membership surge. There has been no surge but the availability of the service has contributed to membership recruitment and provided a needed service.

The statistical results justify this emphasis. Up to 28 January 1999 a total of 435 legislation information sheets were requested and provided to 51 co-operatives – an average of eight per co-operative. However, it also needs to be noted that 20 co-operatives requested and received 276 of the 435 legislation information sheets. Twenty-nine co-operatives (38.66%) of members have engaged the Consultant to update their rules.

What this legislation emphasis has done, however, has been to over-estimate the value of the legislative and rules service and under-estimate the value of other services. It has distorted our perception of the strengths of the Federation and led us to believe that the strengths of the Federation are only the competencies of the Federation's Secretary/Consultant but also the availability of the Secretary/Consultant.

It is a serious problem if the board perceives the Secretary/Consultant as the source of business experience in the boardroom and regard themselves as amateurs.<sup>6</sup>

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<sup>6</sup> Based on an argument in Parnell, Edgar Developing Directors of Co-operatives and Other Similar Enterprises. Plunkett Foundation and the Department of Trade and Industry, March 1994, p 21

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# **Voluntary Dependency**

The voluntary contributions of directors is both a strength and a weakness. The following table summarises the services of the Federation which are fee-based provided and which are voluntarily-provided.

<b>Fee-based</b>	<b>Voluntary-based</b>
Legislation and Rules advice	Co-operation Awards
Telephone advisory service	Monash Agribusiness Directors Seminar
Submissions	Victorian Co-operative News
Publications	Edgar Parnell Seminar
	Peter Steane Seminar
	Speaking Engagements
	Submissions
	Publications

Through the voluntary input of three directors – John Gill, Vern Hughes and David Griffiths – the Federation has been able to significantly expand the scope of its activities. Without this voluntary labor, this enhancement would not have been possible. This voluntary hands-on contribution of some directors is typical of small co-operatives who operate under ongoing financial constraints.

Of course, the strengths created by voluntary contributions are also potential weaknesses because the elected directors may voluntarily cease their contribution and may not be re-elected.

# From Operational To Strategic

The Co-operative Federation of Victoria has a challenge to move from operational management to strategic management. The beginning of this process was the development of a Mission Statement and Objectives.

## **Mission Statement**

To develop and promote the co-operative movement as a means of satisfying the economic and social needs of people.

## **Objectives**

1. To help members improve services to their members by providing information and advice.
2. To make representation to government on legislation and policies to facilitate the development of co-operatives.
3. To promote co-operatives to the public.
4. To facilitate and promote the formation of co-operatives.
5. To educate members and the community at large in co-operative principles and practices.
6. To facilitate co-operation between co-operatives.

The Mission Statement and Objectives were originally developed when the Federation was resurrected after the collapse of the AAAC. These were reconsidered when it was decided to develop a Strategic Plan in 1997 but, with a minor amendment, were considered to be most adequate.

**The Strategic Plan 1998 – 2000** Towards 2000 provided a detailed analysis of the mission and objectives set against operational tasks for the Co-operative Federation of Victoria Ltd from 1998 to 2000.

The specific strategic challenges are to:<sup>7</sup>

1. Create a vision for success and don't confuse work with results.
2. Demand a quantum leap in results.
3. Identify the crucial issues and opportunity for success and concentrate on them.
4. Set major business development projects to turn the vision into tangible achievement. Don't rely on evolution for success.

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<sup>7</sup> Ropke, Jochen Strategic Management of Self-Help Organizations, Marburg Consult, 1992. p 17



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**A vision**

The Federation needs to develop a specific vision of what it wants to achieve over a period of time and recognise that there is a difference between a mission statement and a vision statement. This was not recognised in the development of the Strategic Plan 1998 – 2000 but underpins its shortcomings.<sup>8</sup>

**Quantum Leap**

By this we need to increase our expectations for ourselves – to create issues and opportunities. While our resources are limited and limiting, it is a challenge to maximise these resources for long-term member benefits.

**Issues and Opportunities**

There has been some work in identifying issues and opportunities – the need for all co-operatives to bring their Rules into conformity with the Co-operatives Act 1999, the need to promote the Federation more, the need to reinvent ourselves to be more able to take-up opportunities, the need to take-up more public advocacy and the need to strengthen co-operative director training.

**Major Projects**

Major projects for the Federation have been the Co-operation Awards, the Monash Agribusiness Directors Seminar and the redevelopment of the Victorian Co-operative News.

While a quantum leap is difficult, opportunities for this leap should be explored provided there are not damaging financial consequences for the Federation. While we have limited resources to fund opportunities, by being clever and opportunistic we can open up possibilities.

The Monash Agribusiness Directors Seminar and the Sir, John Monash Gold Medal have been the outcomes of opportunistic exploration firstly by David Griffiths and John Gill. John has had a sustained workload facilitating both. The application for funding to the National Council for the Centenary of Federation was another example of opportunistic exploration. The temporary alliance with the Monash Churchill-based Centre for Rural Communities Inc was another example. A further example is the meeting initiated with the Managing Director of the Bendigo Banking Group.

## **From Mission to Vision**

Parnell has argued that it is important to understand the difference between a mission statement and a vision statement. The Federation has a mission statement but it does not have a vision statement.

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<sup>8</sup> Parnell, Edgar Reinventing Co-operation: the challenge of the 21<sup>st</sup> century, Plunkett Foundation, 1999, p 80

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He argues: "The vision statement will specify what the co-operative is to become within a reasonable time-frame, say five to seven years. It will set out clearly what the co-operative will be doing at that point in time if it is to be regarded as having been successful."<sup>9</sup>

He further argues: "By referring to the vision statement it should be possible to determine just how far and how fast you are reaching the goals your co-operative must achieve if it is to justify its existence."

## **Framework**

What we have developed, therefore, is a Membership Recruitment and Retention Framework Statement which we urge the board to adopt.

In summary, the Membership Recruitment and Retention Framework Statement sets out to establish:

- A MRR Vision
- A MRR Mission
- A MRR objectives
- A MRR tasks

The MRR Committee believes that the adoption of the Membership Recruitment and Retention Framework Statement is a priority as there is no existing framework for membership recruitment and retention activities. A periodic expression of views about membership recruitment and retention by the Secretary, Chairman and/or individual directors is not a framework.

Of course, the Federation is open to maximising co-operative membership recruitment and retention. But, this openness is rhetorical and evocative rather than a serious commitment to membership recruitment and retention. Developing a serious commitment requires an agreed understanding of the vision, mission, objectives and practices of the Federation and these specifically impact on membership recruitment and retention. This is provided by the Membership Recruitment and Retention Framework Statement.

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<sup>9</sup> Ibid p 80

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## **Annual Subscriptions**

Annual Subscriptions are the lifeblood of the Federation and for a long time the Federation has been committed to funding its core activities from member subscriptions. This prudent policy is both desirable and necessary.

Our analysis of service usage by member co-operatives reveals that low-paying members do not place undue demands on services and, therefore, it cannot be argued that these co-operatives do not pay a subscription level to meet their costs.

Based on information provided by the Consultant, between 1 July 1997 and 28 February 1999 53 members (67%) sought telephone advice on 195 occasions with eight co-operatives responsible for 86 (44.102%) of these occasions.

Seven of these eight co-operatives pay an annual subscription between \$350 and \$750 with the eighth paying \$150. In contrast, the 14 member co-operatives who pay the minimum subscription of \$50 per annum used the telephone advice service on 11 occasions – only 5.64% of the total occasions from 17.72% of the membership. It could be argued, therefore, that these low paying co-operatives underutilise the telephone advisory service.<sup>10</sup>

## **Promotion**

It is a goal of the Federation to maximise co-operative membership recruitment and retention. How, then, do we communicate the presence of the Federation and its work to co-operatives in Victoria? What mechanisms have we used to achieve this.

### **Circulation of VCN**

- |      |                                    |
|------|------------------------------------|
| I.   | Direct mail out paid by Federation |
| II.  | Direct mail out paid by OFT&BA     |
| III. | Word of mouth                      |
| IV.  | Influential individuals            |

**VCN is the only consistent and most affordable vehicle for communicating our presence and work to Victorian co-operatives and that consistency is a key - repetition of image and messages with each issue and not isolated mail outs.**

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<sup>10</sup> Membership Recruitment & Retention Committee, 12/19 March 1999 Service Usage and Subs (Draft)

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It could be argued that we should introduce a subscription to the VCN for non-members to reflect its cost and differentiate between services provided to members and non-members. I have no objection to this if we have no interest in the outcome. It is important to differentiate between services for members and non-members and we already undertake this differentiation with products and we could do this with VCN. But, then, the advantage of doing this may be outweighed by the disadvantages - separate from the issue of costing. I suspect that very few non-member co-operatives would be willing to subscribe to the VCN whether 4 or 8 pages and, therefore, we would lose our ability to inform and influence non-members.

## **Reward & Recognition**

Co-operative Energy Ltd proposed to the board that there be a policy of rewarding and recognising co-operatives whose active membership went beyond paying an annual subscription.

The co-operative was keen that the Federation should formally recognise that the contributions of members could go beyond the level of their annual subscription. We support this in principle and, indeed, recognise that although Co-operative Energy Ltd paid the minimum annual subscription of \$50 in 1997/98 its actual contribution was more realistically \$515 made up as follows – annual subscription (\$50), donation of books to Co-operation Awards (\$385), purchase of co-operative booklets (\$30 – to be verified) and AGM dinner (\$60).

Co-operative Energy Ltd proposed that consideration should be given to reducing annual subscription payments for co-operatives that make contributions to the Federation other than payment of their annual subscription.

Based on information provided by the Consultant, we decided to create a profile of membership participation and this was very revealing. What we did was prepare a list of Federation activities that co-operatives could participate in and these varied from attending workshops, attending AGMs, seeking telephone advice and purchasing publications. For each co-operative participating in an activity we allocated a score of 1 with a total possible score of 20 for 20 activities.

A small group of four co-operatives scored between 10 and 14 points each. Another 13 co-operatives scored between 8 and 9 – between 40% and 45%.

If we apply this to AGMs, then, the figures show that only 4 co-operatives have attended the last four AGMs and only five co-operatives have attended three of the last four AGMs.<sup>11</sup>

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<sup>11</sup> Membership Recruitment & Retention Committee, 11/19 March 1999, Membership Participation

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Many services provided by the Federation are dependent on the exploitation of voluntary labor. Voluntary labor critically underpins the activities of the Federation and without this voluntary labor these services would be discontinued because there is not a capacity to pay for these services.

## **Commissions**

Consideration was given to the issue of commissions. At present, the Secretary/Consultant is paid a commission of 40% on the first year's annual membership subscription of a new member.

Originally, the commission was paid on the pro-rata subscription payment of a co-operative depending on what point of the financial year the co-operative joined. The Secretary/Consultant argued that this was a disincentive for him to recruit as 40% of a pro rata annual subscription might not amount to much. When the current Consultancy Agreement was renegotiated, therefore, it was decided that the 40% would apply to a full annual subscription of 12 months provided a new member joining with a pro rata subscription at least retained their membership for a further 12 months.

Two issues were considered by the MRR. The first was whether the commission should be available to any member co-ops who recruited new members. This was regarded as in principle desirable as it was considered in principle undesirable that there be a monopoly on recruitment commission and that competitive pressures might have benefits but the proposal was rejected for the following reasons:

1. There would have to be a verification process and this would introduce additional costs.
2. It was considered doubtful that many members, if any, would be interested in recruiting new members whether or not there was a commission incentive.
3. The availability of the commission to co-operatives could be a disincentive to the Secretary/Consultants own recruiting activities.

The second issue considered was whether the 40% commission was too high – particularly in a situation of budgetary restraint.

## **Accessibility**

Accessibility to the Federation is a problem. It is a problem created by financial and geographical constraints.

The Federation's point of contact, office and resources are located in Blampied, Victoria. It is not an accessible location and is problematic for urban members and even country members and other urban and country individuals and groups interested in the co-operative option.

Contact with the Federation requires an STD telephone call – perhaps several because the “office” is not manned full-time and this cannot be rectified with existing resources.

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Individuals and organisations interested in examining the resource material of the Federation are required to travel to Blampied and this is subject to availability.

Desirable measures to address this inaccessibility could include (a) the establishment of an 1800 number and (b) lodging resources with an urban co-operative e.g. Co-operative Purchasing Services Ltd. Desirable measures are not necessarily achievable but could be identified as desirable pending resourcing.

## **Advanced Subscriptions**

Consideration was given to inviting member co-operatives to make advanced payment subscriptions – pay their current annual subscription for a period of years instead of on an annual basis. The advantage for member co-operatives is that their annual subscription would be frozen at the level in which the advance payment was made. During the advance period, therefore, these co-operatives would be protected from any increase in annual subscriptions. The advantage for the Federation would be in knowing advance income although the value of this would depend on the number of member-co-operatives who paid an advanced annual subscription.

It is considered unlikely that many member co-operatives would be interested in advanced annual subscriptions and, therefore, this is not recommended.

## **Member Benefit**

Ultimately, membership of the Federation must make a difference for members – that there are exclusive benefits for members.

The logic of this approach, therefore, is that services provided by the Federation are either exclusively for and more accessible (i.e. reduced cost) to members. This has a twofold purpose – rewarding co-operative members and punishing co-operatives who are not members.

The implementation of this approach is not necessarily clear-cut. The Monash Agribusiness Directors Seminar, for example, has a standardised fee for member and non-member co-operatives. For 1999, however, Monash did offer a discount for Federation members who had directors on the board of the co-operative. The financial risks of the seminar are borne by Monash University.

Established in 1998, the Co-operation Awards are open to all co-operatives in Victoria whether or not they are members of the Federation. This is necessary to establish the credibility and legitimacy of the Awards and develop support for their continuation. The Victorian Co-operative News is equally made available to members and non-members with the distribution policy determined by budget availability. Non-members, however, do not have access to bulk copies.

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Differential fee levels have been introduced for other seminars such as the Edgar Parnell Seminar and the Peter Steane Seminar. There were limited non-member registrations for the Edgar Parnell Seminar and registrations have not yet been opened for the Peter Steane Seminar. The Legislation Information Sheets have been available free to members and at a cost of \$10 or \$30 each for non-members. Very few non-members have purchased the information sheets. Co-operative publications sold by the Federation have a 10% discount for members. While not a significant discount, it is a discount that is not available to non-members.

The advocacy work of the Federation through speeches, publications and submissions is equally beneficial to member and non-member co-operatives.

It is important to continue this differentiation of services between members and non-members but in the short-term the differentiation needs to be decided on a case by case basis and there are services where such differentiation is neither desirable or practical.

## **Partnerships**

Partnerships are a logical development of co-operation and is perhaps best expressed through the co-operative principle of co-operation between co-operatives.

Partnerships are when two organisations work together for a mutual benefit.

In recent years, there have been two examples of partnerships between the Federation and two of its members – Co-operative Energy Ltd and Co-operative Purchasing Services Ltd. There have also been two other significant partnerships – with the Centre for Rural Communities Inc (Monash) and the Agribusiness Program (Monash University).

There is scope for other partnership opportunities with Monash University and the newly-established N.S.W.-based Centre for Co-operative Research and Development.

## **VCN**

The Victorian Co-operative News is subject to a separate report prepared by the VCN Editorial Committee.

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## **Moving On**

What we have argued throughout this report is the importance of services to membership recruitment and retention – improving existing services, maintaining existing services, expanding existing services, developing new services and appropriately promoting services. We have argued that the basis of these services is the unique niche strengths of the Federation – co-operative legislation, co-operative education and co-operative advocacy.

We have argued that the totality of these services significantly conditions membership recruitment and retention.

This report is a challenge for the Federation to look forward and constantly seek opportunities as to how the Federation's mission and objectives can become closer to reality. It provides a realistic basis for moving forwards from a reactive approach to an increased creative and planned approach to our mission and objectives.

In suggesting that the Federation needs to move forward, this is not a commentary on the past and current situation. Decisions are made at the time based on existing circumstances and the willingness and capacity of the board.

The board has a choice to move forward but in doing so it is critical to also recognise that the details of implementation will need to be resolved and what is possible will depend on resource availability. Critical to this resource availability in the short-term, at least, is the continued voluntary contribution of directors.